

**DECLARATION OF PEGGY A. ARMSTRONG**

1. My name is Peggy A. Armstrong. I am over the age of eighteen years and I am fully competent to make this declaration. All statements contained in this declaration are true and correct and are based on my personal knowledge and review of records.

2. I am the Secretary and Treasurer of A & D Interests, Inc. d/b/a Heartbreakers (“Heartbreakers”). Among other things, I oversee the retention of records and facilitate the intake process for individuals who want to begin performing as exotic dancers at Heartbreakers.

3. Section 8-232 of the City of Dickinson’s municipal ordinances requires Heartbreakers to collect various kinds of information for each employee, independent contractor, or other persons who provide entertainment services at the Club. This includes recording “[a] description of the capacity in which the person is employed, contracted for, or loaned to the SOBE [sexually-oriented business enterprise].”

4. In order to comply with municipal ordinances, memorialize the terms and conditions of performing at the Club, and to establish an agreed contractual relationship between Heartbreakers and entertainers, it is Heartbreakers’ uniform and strictly applied policy and practice for either myself or an authorized representative to present **all** prospective entertainers with the option of executing either an Independent Contractor/License Agreement (“ICLA”) or an “Employment Agreement” during the intake process. True and correct copies of the ICLA and Employment Agreement forms are attached hereto as **Exhibits A and B**, respectively.

5. At all times since 2014, Heartbreakers has continuously used the same or substantially similar Employment Agreement and ICLA forms containing an agreement to arbitrate disputes, the language of which has remained the same.

6. Prospective entertainers are given as much time as they want to review both agreements before choosing which one they want to sign. Plaintiffs Stacey Kibodeaux, Hailey Chapman, Roxanne Murillo, and Jean Hoffmeister all voluntarily opted to execute ICLAs. True and correct copies of their executed ICLAs are attached hereto as **Exhibits C, D, E, and F**, respectively.

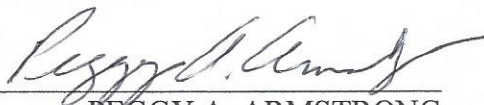
7. After a prospective entertainer has been given an opportunity to read, review, date and sign either an ICLA or Employment Agreement, it is my ordinary practice to sign and/or stamp the agreement. In the rare event that I am not available, an authorized Heartbreakers representative must sign the agreement.

8. Under no circumstance does Heartbreakers permit any individual to begin performing at the Club as an entertainer unless they have first executed either the ICLA or Employment Agreement containing an arbitration agreement. It is an absolute pre-condition and strictly enforced policy that an entertainer may not begin performing at the Club unless she has first executed one of these agreements.

9. As a result, all entertainers who have chosen to perform at the Club since 2014 have executed a contract with Heartbreakers that contains an arbitration agreement. There are no active entertainers performing at Heartbreakers who have not executed one of these agreements.

10. I declare, certify, verify, and state under penalty of perjury that the foregoing is true and correct and is based on my review of records and personal knowledge.

DATED: 6/10/20

  
PEGGY A. ARMSTRONG